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Rokita Joins Ryan, Budget Committees Members in Unveiling Budget Reform Package

Washington, DC – Today Representative Todd Rokita joined with Budget Committee Chairman Paul Ryan and Budget Committee members in unveiling a comprehensive set of nine reforms, including four co-authored by Rep. Rokita, that strengthen spending controls, enhance oversight of government spending and bring honest accounting to Washington's broken budget process. These reforms build on the Path to Prosperity budget passed by the House earlier this year.

"The budget reforms unveiled today are critical to addressing the budget crisis facing our nation. Considering the Senate has not passed a budget in over 950 days, there is no question that the current budget process is badly broken. By strengthening spending controls, enhancing oversight and ending the accounting gimmicks, Congress will be forced to operate on a budget and perform its crucial oversight responsibility. In addition, the American people will be able to see the true extent of the fiscal crisis facing our nation," Rokita said.

House Budget Committee Chairman Ryan stated: *"Representative Rokita's leadership in moving this critical budget process reform forward is exactly the kind of example Washington needs more of. Together, these reforms will create a comprehensive budget process reform package aimed at fixing the way Washington spends money. Currently, the incentives are stacked against those like Representative Rokita who want to control spending and ensure America tackles head-on the crushing burden of debt that is slowing economic growth today and threatening economic prosperity tomorrow."*

The Budget Reform Package includes:

Spending Control

- I. The Legally Binding Budget Act
(Lead sponsor: Rep. Diane Black of Tennessee)
 - Gives the budget the force of law by converting it from a concurrent to a joint resolution, which requires the President's signature. Upon a presidential veto, the joint resolution automatically reverts to a concurrent resolution.
- II. The Spending Control Act
(Lead sponsor: Rep. John Campbell of California, Co-Author: Rep. Todd Rokita)
 - Establishes binding limitations on federal spending and deficits – all enforced by a sequester of no more than 4 percent of programs – within each category if the program is growing faster than inflation.

III. The Expedited Line-Item Veto and Rescissions Act
(Lead sponsors: Chairman Paul Ryan of Wisconsin, Ranking Member Chris Van Hollen of Maryland)

- Provides for the expedited consideration by Congress of specific requests by the President to reduce discretionary spending in appropriations legislation.

Enhanced Oversight

IV. The Biennial Budgeting and Enhanced Oversight Act
(Lead sponsor: Rep. Reid Ribble of Wisconsin, Co-Author: Rep. Todd Rokita)

- Establishes a biennial budgeting cycle where Congress adopts a budget resolution in the first session of Congress (i.e., odd-numbered year) and considers authorization legislation in the second session, providing greater opportunities for review of government spending.

V. The Baseline Reform Act
(Lead sponsor: Rep. Rob Woodall of Georgia)

- Reforms the budget “baseline” to remove automatic inflation increases in discretionary accounts, and to require a comparison to the previous year’s spending levels.

VI. The Government Shutdown Prevention Act
(Lead sponsor: Rep. James Lankford of Oklahoma)

- If Congress fails to enact appropriations bills by the beginning of the fiscal year (Oct. 1), provides automatic authority to fund programs at a slightly reduced rate from the previous year’s level.

VII. The Review Every Dollar Act
(Lead sponsor: Rep. Jason Chaffetz of Utah, Co-Author: Rep. Todd Rokita)

- Requires periodic sunset reviews and reauthorization of all federal programs to ensure the programs perform an appropriate role and are operating effectively.
- Requires all transfers from the general fund to the Highway Trust Fund to be offset or counted as new spending.
- Removes all direct spending provisions from Pell Grants and moves all funding to the discretionary spending category.
- Requires any new rule or regulation promulgated by the administration that includes new spending to be explicitly funded by Congress before such regulations take effect.
- Provides a mechanism through which Members can devote savings from spending bills to deficit reduction.

Full Transparency

VIII. The Balancing our Obligations for the Long Term Act
(Lead sponsor: Rep. Mick Mulvaney of South Carolina, Co-Author: Rep. Todd Rokita)

- Caps total spending over the long term to reduce the burden of government to no more than 20 percent of the economy by gradually reducing spending.
- Requires Congress to review long-term budget trends every five years and provides a fast-track legislative process to put federal spending on a sustainable path.
- Authorizes reconciliation of long-term savings (beyond the current limit of the budget resolution’s typical 10-year window, up to 75 years) in Social Security, Medicare, and Medicaid.

- Requires CBO long-term estimates beyond the 10-year window.
- Requires the President's budget to extend beyond the 10-year window.
- Strengthens the statutory requirement directing the President to submit legislation to save Medicare if the general fund subsidy to the program exceeds 45 percent of the program's costs.
- Requires GAO and OMB to report annually on the federal government's unfunded obligations.

IX. The Budget and Accounting Transparency Act
(Lead sponsor: Rep. Scott Garrett of New Jersey)

- Reforms the Credit Reform Act to incorporate Fair Value accounting principles.
- Recognizes the budgetary impact of the GSEs by formally bringing the entities on-budget.
- Brings the U.S. Postal Service on-budget.
- Requires a CBO & OMB study on offsetting receipts/collections/revenues.
- Requires all federal agencies make public the budgetary justification materials prepared in support of their requests for taxpayer dollars.

X. The Pro-Growth Budgeting Act
(Lead sponsor: Rep. Tom Price of Georgia)

- Requires CBO to provide an assessment of the macroeconomic impact of major legislation.

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